

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

ATLANTIC ASSET MANAGEMENT,
LLC,

Defendant.

15-Civ-9764 (WHP)

**NINTH COMPENSATION APPLICATION OF MARTI P. MURRAY, AS
RECEIVER OF ATLANTIC ASSET MANAGEMENT, LLC, FOR
PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD AUGUST 1, 2016 THROUGH AUGUST 31 2016**

Marti P. Murray, the receiver ("Receiver") of Atlantic Asset Management, LLC appointed in the above-captioned case (the "Case"), respectfully submits this ninth compensation application ("Ninth Compensation Application") for a total of \$6,793.58, representing (i) payment of \$5,224.50 in compensation for the Receiver and (ii) \$1,569.08 for reimbursement of actual and necessary costs and expenses incurred by the Receiver in this Case from August 1, 2016 through August 31, 2016. In support of this Ninth Compensation Application, the Receiver respectfully represents as follows:

Background

1. On December 15, 2015, the Securities and Exchange Commission (the "SEC") filed its Complaint (the "Complaint") against Atlantic Asset Management, LLC ("AAM") in the United States District Court for the Southern District of New York (the "District Court").

2. On December 21, 2015, the District Court entered its Order Granting Preliminary Injunction and Other Interim Relief (the "Initial PI Order"). The Initial PI Order, *inter alia*, appointed

me as an independent monitor (in such capacity, the "Monitor").

3. On January 8, 2016, the District Court entered its Amended Order Granting Preliminary Injunction and Other Interim Relief (the "Amended PI Order") [Docket No. 26]. The Amended PI Order, *inter alia*, superseded and replaced the Initial PI Order and appointed me as receiver (in such capacity, the "Receiver").

4. Paragraph V(K) of the Amended PI Order provides: "[t]he Receiver is to be paid her reasonable compensation and expense reimbursement from the Receivership Estate as described in the 'Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission' (the 'Billing Instructions') agreed to by the Receiver. Such compensation shall require the prior approval of this Court and shall not exceed in any event the amounts provided in the Receiver's proposal submitted to the Commission staff in connection with her Monitorship application."

5. Paragraph V(L) of the Amended PI Order provides: "[w]ithin ten (10) days after the end of each month, the Receiver shall apply to this Court for compensation and expense reimbursement from the Receivership Estate (the 'Monthly Fee Applications'), consistent with the terms of the proposal made in connection with her appointment as Monitor. At least five (5) days prior to filing each Monthly Fee Application with this Court, the Receiver will serve upon counsel for the Commission a complete copy of the proposed Application, together with all exhibits and relevant billing information in a format to be provided by Commission staff."

6. Paragraph V(M) of the Amended PI Order provides: "[e]ach Monthly Fee Application shall (a) comply with the terms of the Billing Instructions agreed to by the Receiver; and, (b) contain representations (in addition to the Certification required by the Billing Instructions) that: (i) the fees and expenses included therein were incurred in the best interests of the Receivership

Estate; and (ii) with the exception of the Billing Instructions and her Monitorship application, the Receiver has not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership Estate, or any sharing thereof."

Prior Compensation Requests

7. My role as Monitor began on December 22, 2015 and continued through the entry of the Amended PI Order on January 8, 2016 when I became Receiver. From December 22, 2015 through January 6, 2016 my staff and I were engaged in tasks related to the Case for a total of 197.50 hours, amounting to \$105,079.50 in fees (the "Monitorship Fees") and \$845.72 in expenses.

8. By Order dated January 20, 2016 [Docket No. 38], the Court approved my fees and expenses in my capacity as Monitor.

9. On February 26, 2016, I filed a second compensation application (the "Second Compensation Application") for the time period from January 7, 2016 through January 31, 2016, seeking a total of \$90,561.78 as compensation for fees and expenses. The Second Compensation Application was granted by order dated March 16, 2016.

10. On March 9, 2016, I filed a third compensation application, subsequently amended on March 28, 2016 (the "Amended Third Compensation Application"), for the time period from February 1, 2016 through February 29, 2016, seeking a total of \$84,717.48 as compensation for fees and expenses. This application was granted by order dated April 13, 2016.

11. On May 3, 2016, I filed a fourth compensation application (the "Fourth Compensation Application") for the time period from March 1, 2016 through March 31, 2016, seeking a total of \$56,143.92 as compensation for fees and expenses. This application was granted by order dated May 23, 2016.

12. On May 24, 2016, I filed a fifth compensation application (the "Fifth Compensation Application") for the time period of April 1, 2016 through April 30, 2016, seeking a total of \$42,255.21 as compensation for fees and expenses. This application was granted by order dated June 3, 2016.

13. On July 20, 2016, I filed a sixth compensation application (the "Sixth Compensation Application") for the time period of May 1, 2016 through May 31, 2016, seeking a total of \$26,882.97 as compensation for fees and expenses. This application was granted by order dated August 2, 2016.

14. On July 20, 2016, I filed a seventh compensation application (the "Seventh Compensation Application") for the period of June 1, 2016 through June 30, 2016, seeking a total of \$31,128.76 as compensation for fees and expenses. The application was later modified to a total of \$27,350.11 on July 26, 2016. The modified application was approved by order dated August 2, 2016.

15. On September 15, 2016, I filed an eighth compensation application (the "Eighth Compensation Application") for the period of July 1, 2016 through July 31, 2016, seeking a total of \$24,448.39. This application was granted by order dated September 29, 2016.

Request for Compensation and Reimbursement of Expenses

16. By this Ninth Compensation Application, I request approval of fees and expenses in the total amount of \$6,793.58 for the period from August 1, 2016 through August 31, 2016.

17. In connection with my appointment as Monitor and then as Receiver herein, I agreed to a fee cap of \$125,000.00 per month (the "Monthly Fee Cap"). The Second Compensation Application and the Third Compensation Application were both limited by the Monthly Fee Cap, because actual billings incurred exceeded the Monthly Fee Cap by \$157,693.25 in the aggregate.

18. The Monthly Fee Cap did not affect the Fourth Compensation Application, the Fifth Compensation Application, the Sixth Compensation Application, the Seventh Compensation Application, or the Eighth Compensation Application, because total compensation requested was substantially lower than the Monthly Fee Cap.

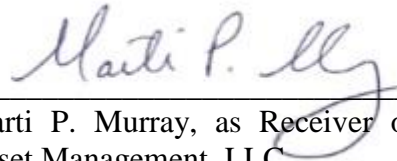
19. Similarly, the Monthly Fee Cap does not affect this Ninth Compensation Application, because, as shown in **Exhibit D**, total compensation requested for the period from July 22 through August 21 (the “Eighth Compensation Period”) was \$7,623.00, substantially lower than the Monthly Fee Cap.

20. Annexed hereto as **Exhibit A** is a summary of time and compensation requested by this Ninth Compensation Application by billing category. Annexed hereto as **Exhibit B** is a summary of time and compensation requested by this Ninth Compensation Application by timekeeper. Annexed hereto as **Exhibit C** is a summary of expenses for which reimbursement is sought by this Ninth Compensation Application. Annexed hereto as **Exhibit D** is a reconciliation of compensation sought for the Eighth Compensation Period, which ran from July 22 through August 21, 2016. This reconciliation indicates the total fees of \$7,623.00 sought for the Eighth Compensation Period fell substantially below the Monthly Fee Cap of \$125,000.00, and therefore the existence of the Monthly Fee Cap does not affect the amount sought by this Ninth Compensation Application. Annexed hereto as **Exhibit E** are detailed time and expense records for compensation sought for the period of August 1, 2016 through August 31, 2016.

21. In accordance with the Amended PI Order, I have provided the SEC a copy of this Ninth Compensation Application five (5) days before filing with the District Court.

WHEREFORE, I request entry of an order granting this Ninth Compensation Application, approving fees totaling \$6,793.58, consisting of (a) \$5,224.50 as compensation for fees, and (b) \$1,569.08 in expenses for the period of August 1, 2016 through August 31, 2016.

Dated: New York, New York
October 26, 2016

A handwritten signature in blue ink, reading "Marti P. Murray", is positioned above a horizontal line.

Marti P. Murray, as Receiver of Atlantic
Asset Management, LLC

Exhibit A

TIME SUMMARY BY BILLING CATEGORY

For August 1, 2016 through August 31, 2016

Project Category	Total Hours	Total Compensation
Asset Management and Recovery	1.90	\$990.00
Business Operations	5.20	\$1,912.50
Case Administration	1.50	\$1,107.00
Claims Administration and Objections	4.50	\$1,215.00
Total	13.10	\$5,224.50

Exhibit B**TIME SUMMARY BY TIMEKEEPER**For August 1, 2016 through August 31, 2016

Name	Position; Experience	Hourly Rate	Total Hours	Total Compensation
Marti P. Murray	President	\$855.00	3.30	\$2,821.50
Gara Paulson	Senior Researcher	\$270.00	5.70	\$1,539.00
Katherine Thomas	Junior Researcher	\$90.00	1.90	\$171.00
Julia Zhu	Associate	\$315.00	2.20	\$693.00
Total		\$398.82 (Blended Hourly Rate)	13.1	\$5,224.50

Exhibit C

Expense Summary

For August 1, 2016 through August 31, 2016

Disbursements	Amount
Mailing/Postage	\$1,474.88
Miscellaneous	\$43.50
Printing	\$50.70
Total Disbursements	\$1,569.08

Exhibit D

Calculation of Eighth Compensation Period (7/22/16 - 8/21/16), as affected by the Expense Cap

Eighth Compensation Period:			
A.	7/22/16 - 8/21/16	Capped at:	\$125,000.00
B.	Previously Billed for 7/22 – 7/31		\$3,748.50
C.	Billable Time 8/1 - 8/21		\$3,874.50
D.	Total Compensation for the Period of 7/22 - 8/21 (B + C)		\$7,623.00

Exhibit E**DETAILED TIME AND EXPENSE RECORDS**For August 1, 2016 through August 31, 2016**Billable Time:**

Date	By	Service Summary	Hours/Rate	Amount
08/02/2016	JZ	SEC - Business Operations Communications with SS&C re payments to subadvisors and new fee arrangements	0.60 at \$ 315.00/hr	\$189.00
08/02/2016	MPM	SEC - Asset Management and Recovery Review GYOF Amendments	0.40 at \$ 855.00/hr	\$342.00
08/02/2016	JZ	SEC - Business Operations Instructing wire transfers to subadvisors	0.30 at \$ 315.00/hr	\$94.50
08/03/2016	GP	SEC - Case Administration Call to FedEx re: Delivery of boxes to SEC at DOL request	0.30 at \$ 270.00/hr	\$81.00
08/03/2016	JZ	SEC - Business Operations Arranging wire to LNG	0.20 at \$ 315.00/hr	\$63.00
08/05/2016	KT	SEC - Business Operations Communicate with FedEx, re Ground Delivery Tracking	0.50 at \$ 90.00/hr	\$45.00
08/05/2016	KT	SEC - Business Operations Communicate with FedEx, re Ground Delivery Tracking	0.70 at \$ 90.00/hr	\$63.00
08/09/2016	JZ	SEC - Business Operations Answering subadvisor emails re claims	0.40 at \$ 315.00/hr	\$126.00
08/09/2016	GP	SEC - Claims Administration and Objections Claims Review	0.20 at \$ 270.00/hr	\$54.00
08/09/2016	GP	SEC - Claims Administration and Objections Claims Review	0.50 at \$ 270.00/hr	\$135.00
08/09/2016	KT	SEC - Business Operations Communicate with SEC & FedEx, re Ground Delivery Tracking	0.70 at \$ 90.00/hr	\$63.00
08/10/2016	MPM	SEC - Case Administration Response to M. Allen (former AAM employee) Complaint	1.00 at \$ 855.00/hr	\$855.00
08/10/2016	GP	SEC - Asset Management and Recovery Call with B. Scott Re: Hartford Requests	0.20 at \$ 270.00/hr	\$54.00
08/11/2016	MPM	SEC - Asset Management and Recovery Insurance Claim Information Request	0.40 at \$ 855.00/hr	\$342.00
08/15/2016	MPM	SEC - Business Operations Review of GYOF Documents	0.30 at \$ 855.00/hr	\$256.50
08/15/2016	JZ	SEC - Asset Management and Recovery Responding to CTA's information request re insurance policies	0.20 at \$ 315.00/hr	\$63.00

08/15/2016	GP	SEC - Claims Administration and Objections Call with claimant re: proposed plan of distribution received	0.10 at \$ 270.00/hr	\$27.00
08/16/2016	MPM	SEC - Business Operations GYOF GP Transition; Insurance Policies	0.40 at \$ 855.00/hr	\$342.00
08/17/2016	JZ	SEC - Business Operations Answering Vaquero's inquiry re subadvisory fees	0.20 at \$ 315.00/hr	\$63.00
08/18/2016	GP	SEC - Asset Management and Recovery review Hartford document requests	0.50 at \$ 270.00/hr	\$135.00
08/18/2016	MPM	SEC - Business Operations Review GYOF Amendments	0.30 at \$ 855.00/hr	\$256.50
08/18/2016	MPM	SEC - Case Administration Telcon with Counsel	0.20 at \$ 855.00/hr	\$171.00
08/19/2016	GP	SEC - Asset Management and Recovery review Hartford document requests	0.20 at \$ 270.00/hr	\$54.00
08/22/2016	GP	SEC - Claims Administration and Objections review past invoices received and documented in claims matrix	0.20 at \$ 270.00/hr	\$54.00
08/22/2016	GP	SEC - Claims Administration and Objections respond to emails from AAM former Employees re: Proposed plan of distribution and accompanying documents received	1.10 at \$ 270.00/hr	\$297.00
08/22/2016	GP	SEC - Claims Administration and Objections document proposed plan correspondence/ objections	0.30 at \$ 270.00/hr	\$81.00
08/24/2016	MPM	SEC - Business Operations GYOF GP Transition	0.20 at \$ 855.00/hr	\$171.00
08/24/2016	GP	SEC - Claims Administration and Objections Call with former AAM Employee M. Allen re: documents received and proposed plan	0.40 at \$ 270.00/hr	\$108.00
08/24/2016	MPM	SEC - Business Operations Recap of M. Allen call with G. Paulson	0.10 at \$ 855.00/hr	\$85.50
08/24/2016	GP	SEC - Claims Administration and Objections review employee communications re: proposed plan with counsel and M Murray	0.40 at \$ 270.00/hr	\$108.00
08/24/2016	GP	SEC - Claims Administration and Objections review and update claimant addresses in plan of distribution	0.50 at \$ 270.00/hr	\$135.00
08/24/2016	GP	SEC - Claims Administration and Objections review and update claimant addresses in plan of distribution	0.10 at \$ 270.00/hr	\$27.00
08/29/2016	GP	SEC - Claims Administration and Objections execute Hartford crimeShield documents requested	0.20 at \$ 270.00/hr	\$54.00
08/31/2016	GP	SEC - Claims Administration and Objections respond to employee communication re: objection to	0.50 at \$ 270.00/hr	\$135.00

		proposed plan		
08/31/2016	JZ	SEC - Business Operations	0.30 at \$	
		Answering auditor's information request re Seafares	315.00/hr	\$94.50
		Total:	13.10 hrs	\$5,224.50

Billable Expenses:

Date	By	Service Summary	Amount
08/17/2016	KT	Miscellaneous QUICKBOOKS - August Subscription	\$43.50
08/21/2016	KT	Mailing/Postage LIGHTSPEED: Courier to Klestadt Winters (08/03)	\$12.95
08/31/2016	KT	Mailing/Postage LIGHTSPEED - Courier to The Hartford (08/15)	\$12.95
08/31/2016	KT	Printing/Copying IN-HOUSE PRINGING: 338 pgs; \$0.15/pg	\$50.70
08/31/2016	KT	Mailing/Postage FEDEX - Fuel Surcharge for 52 packages (08/03/16)	\$432.64
08/31/2016	KT	Mailing/Postage FEDEX - Delivery for 52 packages (08/03/16)	\$1,016.34
		Total:	\$1,569.08